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Case No. 84-546

IN THE

Supreme Court of the United States

October Term, 1984

McGILL INCORPORATED, *Petitioner,*

v.

JOHN ZINK COMPANY, *Respondent.*

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

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QUESTION PRESENTED

When a decision of the Court of Appeals for the Federal Circuit is in conformity with the decisions of this Court and the decision only affects the interests of the litigants and has no far-reaching public or policy considerations, should a Petition for Certiorari be granted?

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BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

Respondent respectfully submits that no question is presented by the decision of the United States Court of Appeals for the Federal Circuit which is worthy of review by this Court. Therefore, the Petition for Writ of Certiorari should be denied.

OPINION BELOW

The opinion of the Court of Appeals for the Federal Circuit is reported at 736 F.2d 666 (Fed. Cir. 1984). The slip opinion of the Court of Appeals appearing in the appendix to the Petition (App. 1 to App. 22)* is not the final opinion since it was modified by the Court of Appeals (App. 36-38). The correct and accurate decision is reported as noted above at 736 F.2d 666.

*Hereinafter pages of Petition are designated Pet. ____, reference to the appendix to the Petition is designated as App. ____, reference to the trial transcript as Tr. ____, reference to the joint appendix as JA ____ and reference to respondent's exhibits are DX ____.

JURISDICTION

The jurisdictional statement (Pet. 2) is accurate except that the Court of Appeals for the Federal Circuit neither "ordered" nor "granted" rehearing *in banc* as Petitioner contends (Pet. 8, 12). The appelate court on June 15, 1984 "accepted" the suggestion of petitioner and requested respondent to file a response after which the suggestion for rehearing *in banc* was declined on July 16, 1984. A second suggestion for rehearing *in banc* was denied on September 6, 1984.

STATEMENT OF THE CASE

1. Prosecution History.

Petitioner (McGill) in its Petition has failed to disclose that in its original application it had included a claim for a liquid hydrocarbon absorbent, which would have encompassed the use of gasoline as an absorbent. However, the Patent and Trademark Office (PTO) twice denied such a claim and told McGill a patent would be allowed only if the absorbent was limited to "recovered liquid hydrocarbon", which as shown in the specification and drawings, was an internally created absorbent as contrasted with Zink's use of an external absorbent of fresh gasoline. McGill cancelled the broad claim and carefully wrote a new claim limiting the absorbent to recovered liquid hydrocarbon and advised the PTO that this claim included "the limitations" which were present through dependency. On this basis, the patent was issued. (736 F.2d at pp. 670, 671).

The commercial units of McGill do not use an absorbent of "recovered liquid hydrocarbon", but instead, like

the Zink units, use gasoline as the absorbent. Gasoline had been used as the absorbent in gasoline vapor recovery systems for many years prior to the patent application. (JA 102a, 103a).

2. Holdings of the Court of Appeals which are not encompassed within the Petition.

McGill admits that he is not challenging the holding of the Court of Appeals that there is no literal infringement of the patent. (Pet. 5). Therefore, the following holdings of the Court of Appeals have been accepted by McGill:

FIRST: As found by the Court of Appeals and as shown in the file history, McGill sought to obtain a claim for a "liquid hydrocarbon absorbent" (original claim 7) which would have encompassed both an internally created absorbent and an external absorbent such as gasoline which is used by Zink. Original claim 8, a dependant claim recited:

> A process, as recited in claim 7, wherein the liquid hydrocarbon *absorbent is recovered liquid hydrocarbon.* (736 F.2d at p. 670).

A further dependent claim (original claim 9) recited the process of claim 8 plus limitations relating to certain details of the vacuum pump (736 F.2d at p. 670).

The examiner twice rejected claims 7 and 8 and told McGill that claim 9 would be allowed only if written in independent form "to include all the limitations now present through dependency", which included the limitation that the absorbent is "recovered liquid hydrocarbon" (736 F.2d at p. 671).

McGill, without appealing from the final rejection, cancelled claims 7 and 8, rewrote claim 9 in independent

form as claim 14 and told the examiner that claim 14 included "the limitations which were present through dependency", which included the limitation of the absorbent being recovered liquid hydrocarbon (736 F.2d at p. 671). On this basis, the patent was allowed.

SECOND: The Court of Appeals held that claim 2 (formerly claim 14) was limited to a process in which the absorbent is "recovered liquid hydrocarbon". The Court stated:

> "The phrase 'recovered liquid hydrocarbon absorbent' in original claim 8 was clearly a limitation, a limitation having the meaning recovered liquid hydrocarbon being used as an absorbent." (736 F.2d at p. 673).

THIRD: The Court of Appeals held that recovered liquid hydrocarbon was a term defined in the specification and as such it had the same meaning when used in claim 2. The Court said:

> "Thus, the phrase 'recovered liquid hydrocarbon absorbent' in claim 2 . . . has the meaning that was defined in the specification which is internally created recovered liquid hydrocarbon being used as an absorbent". (736 F.2d at p. 674).

These holdings by the Court of Appeals are not being attacked by McGill in its Petition which relates solely to the doctrine of equivalents.

REASONS FOR DENYING THE PETITION

I. The issues raised in the Petition do not meet the requirements of Rule 17.

The matters sought to be raised in the Petition for Writ of Certiorari do not meet the standards of Rule 17

of this Court in that there are no "special and important reasons" for granting the writ. This is shown by what McGill, the Petitioner, told the Court of Appeals for the Federal Circuit in its Second Suggestion for Rehearing In Banc, which is:

> "We realize that successive suggestions for rehearing *in banc* are not favored. We also realize that it is not ordinarily the function of the Court *in banc* to correct panel errors which lack far-reaching impact, or which are of interest only to the litigants before the Court."

Since Petitioner has advised the United States Court of Appeals for the Federal Circuit that the Panel's decision "lacks far-reaching impact" and that the matters "are of interest only to the litigants before the Court", it is inconceivable that Petitioner wants this Court to believe that the Panel's decision presents a recurring question of considerable importance to the owners of over 1.1 million patents (Pet. 8) and that the Panel's decision suggests "an unpromising future for the doctrine of equivalents" (Pet. 12). This is particularly true in view of the fact that the Panel after extensive briefing and argument concluded that:

> "In regard to possible infringement under the doctrine of equivalents, we are similarly convinced that there is no set of facts, consistent with McGill's interpretation, that is supported by substantial evidence. As discussed above, there is no interpretation that its process uses an absorbent that is not the internally-created, recovered liquid hydrocarbon. In light of the fact that Zink's process utilizes an absorbent that is composed of an external fluid, McGill's and Zink's processes are not equivalents in that different *ways* are used to perform the desired

function. *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605, 608-9 (1950); *Carman Industries, Inc. v. Wahl*, 724, F.2d 932, 942, 220 USPQ 481, 488-89 (Fed. Cir. 1983). Thus, any finding regarding equivalence is not supported by substantial evidence." (736 F.2d at p. 675).

There are no reasons whatever for granting the writ in this case. It is a private fight between two litigants wherein the Court of Appeals found that there was no infringement of claim 2 of the patent in suit. There is no public interest question involved but merely an attempt by a litigant who has lost to obtain a further review of a decision, which decision Petitioner himself has admitted "lacks far-reaching impact" and is of "interest only to the litigants".

It is well established that a writ of certiorari should not be granted except "in cases involving principles the settlement of which is of importance to the public as distinguished from that of the parties". *Layne & Bowler Corporation v. Western Well Works, Inc. et al.*, 261 U.S. 387, 393 (1923). This Court does not sit for the benefit of the particular litigants. *Rice v. Sioux City Cemetery*, 349 U.S. 70, 74 (1945). Jurisdiction under a writ of certiorari is not intended "merely to give the defeated party in the Circuit Court of Appeals another hearing". *Magnum Import Co. v. Coty*, 262 U.S. 159, 163 (1923).

II. The Court of Appeals followed the teachings of *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605.

The Court of Appeals, in a well-reasoned opinion, considering the entire record as a whole, including the expert testimony, concluded that:

> "In regard to possible infringement under the doctrine of equivalents, we are similarily convinced that there is no set of facts, consistent with McGill's interpretation, that is supported by substantial evidence". (736 F.2d at p. 675).

The Court of Appeals, after considering the file history, the specification, the other claims and expert testimony, also held that McGill's patented process and Zink's process "are not equivalents in that different *ways* are used to perform the desired function", citing the *Graver* case. This Court in the *Graver* case recognized that the function of a court of appeals is not to rubber stamp the findings of the proceedings below. 339 U.S. at p. 610. The Court of Appeals followed this procedure and concluded there was no substantial evidence to support McGill's contentions and also concluded that the processes were not the equivalent.

Petitioner asserts that "the decision in this case suggests an unpromising future for the doctrine of equivalents" and that certiorari should be granted to determine whether the doctrine of equivalents "continues to have validity" (Pet. 12, 13). These assertions are contrary to what the Court of Appeals did. Nothing in the decision affects the doctrine of equivalents. The Court did not overrule the doctrine or in any way limit it. All the Court of Appeals decided was that based on the specific facts of this case, there was no substantial evidence to support McGill's position regarding the doctrine

of equivalents and also that the two processes were not the equivalent in that they used different ways to perform the desired function.

As shown by the Appellate Court's opinion, the entire thrust of the invention and the only claims allowed involved the use of an internally created absorbent which was recovered liquid hydrocarbon. (736 F.2d at pp. 670, 671). Zink, as had been done in the past, used an external source as its absorbent, which was fresh gasoline. Thus, the Court properly concluded that Zink used a different way to perform the desired function. As noted in the Court's opinion, those differences included the source of the absorbent (internally created as compared to an external source) and the type of absorbent (recovered liquid hydrocarbon as compared to gasoline).

In an effort to obtain certiorari, McGill cites three instances of evidence to support its contention under the doctrine of equivalents (Pet. 6) but McGill fails to set forth all of the facts relating to these items. First, McGill refers to tests, but fails to disclose that these tests of the patented process were designed solely to show that the patented process of a recovered liquid hydrocarbon absorbent would function. Cross examination showed that these tests and the testing apparatus did not follow the patented process.

Then McGill asserts the patent expressly states that gasoline may be used as the absorbent. The portion of the specification referred to states:

> "It has been discovered that a ratio of 40 moles of liquid absorbent per mole of feed gas is adequate for gasoline vapor recovery systems using gasoline at ambient temperature for the liquid absorbent."

This merely disclosed the liquid to feed gas ratio to maintain a constant composition gas in gasoline vapor recov-

ery systems using gasoline as the absorbent. Gasoline had been the absorbent commonly used in prior vapor recovery units, whereas, the entire specification, drawings and claims as allowed were directed to internally creating the absorbent of recovered liquid hydrocarbon. Nowhere does the patent show how gasoline could be internally created for use as the absorbent. However, the important fact ignored by McGill was that McGill could not obtain a claim covering gasoline as the absorbent. In fact, McGill was required by the PTO to restrict its claims to the narrow concept of internally created recovered liquid hydrocarbon absorbent. McGill, to obtain a patent, cancelled the broad claim which encompassed an external absorbent such as gasoline and advised the PTO that its claims were restricted to a recovered liquid hydrocarbon absorbent (736 F.2d at pp. 670, 671). Under the decisions of this Court, McGill cannot recapture by the doctrine of equivalents or otherwise that which it gave up to obtain a patent. See pp. 10-13 of this Brief.

Finally, McGill asserts that recovered liquid hydrocarbon and gasoline have a close relationship. However, this assertion ignores the fact that McGill and all other witnesses agreed that gasoline is not recovered liquid hydrocarbon (JA 353a, 410a, Tr. 935, 1023). Although both are hydrocarbons, the recovered liquid hydrocarbon is a small fraction of the broad range of hydrocarbons contained in gasoline. The Court of Appeals stated:

> "It is undisputed that fresh gasoline, as used by Zink to recover liquid hydrocarbon, is not 'recovered liquid hydrocarbon' as that term is used in the '423 patent." (736 F.2d at p. 676).

None of this evidence cited by McGill in any way detracts from the Court of Appeals holding that the missing ingredient in McGill's evidence was proof that the patented process and Zink's process operate in sub-

stantially the same way. There was no evidence that gasoline could be internally created in the patented process or that the patented process operated in the same way as the Zink process. In fact, the record considered as a whole, as was done by the Court of Appeals, clearly demonstrated a number of differences including a different source of and a different type of absorbent. Since the Court of Appeals twice denied rehearing in banc, and since there is no matter of public importance or reason to revisit the *Graver* case, the Petition should be denied.

III. The decision of the Court of Appeals is in accordance with other decisions of this Court.

Not only did the Court of Appeals properly follow the Graver case, but since it found that Petitioner, to obtain the patent, was required to relinquish the very item which it is now claiming as the equivalent, the Court of Appeals adhered to this Court's decision in *Graham v. John Deere Co.*, 383 U.S. 1, 33, 34 (1966) wherein this Court said:

> "Claims as allowed must be read and interpreted with reference to rejected ones and to the state of the prior art; and claims that have been narrowed in order to obtain the issuance of a patent by distinguishing the prior art cannot be sustained to cover that which was previously by limitation eliminated from the patent. (Citations omitted).
>
> Here, the patentee obtained his patent only by accepting the limitations imposed by the Examiner. The claims were carefully drafted to reflect these limitations and Cook Chemical is not now free to assert a broader view of Seaggin's invention."

In *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 220-221 (1940), this Court said:

> "It is a rule of patent construction consistently observed that a claim in a patent as allowed must be read and interpreted with reference to claims that have been cancelled or rejected, and the claims allowed cannot by construction be read to cover what was thus eliminated from the patent. (Citations omitted). The patentee may not, by resort to the doctrine of equivalents, give to an allowed claim a scope which it might have had without the amendments, the cancellation of which amounts to a disclaimer. (Citations omitted). The injurious consequences to the public and to inventors and patent applicants if patentees were thus permitted to revive cancelled or rejected claims and restore them to their patents are manifest. See *Leggett v. Avery*, 101 U.S. 256, 259."

Exhibit Supply Co. v. Ace Patents Corp., 315 U.S. 126, 137 (1942) held:

> "It follows that what the patentee, by a strict construction of the claim, has disclaimed—conductors which are carried by the table but not embedded in it—cannot now be regained by recourse to the doctrine of equivalents, which at most operates, by liberal construction, to secure to the inventor the full benefits, not disclaimed, of the claims allowed."

If McGill was dissatisfied with the rejection of claim 7 by the PTO and the requirement that the claims be limited to using the internally created recovered liquid hydrocarbon as the absorbent, McGill should have pursued an appeal. However, when McGill accepted the narrower claim, it is bound by the limitation. *Smith v. Magic City Kennel Club, Inc.*, 282 U.S. 784, 789 (1931).

Once an applicant, such as McGill, narrows his claim to obtain a patent, he cannot recapture that which he

disclaimed in order to obtain the patent. In *I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 444 (1926), this Court stated:

> "So where an applicant whose claim is rejected on reference to a prior patent, without objection or appeal, voluntarily restricts himself by an amendment of his claim to a specific structure, having thus narrowed his claim in order to obtain a patent, he 'may not by construction, or by resort to the doctrine of equivalents, give to the claim the larger scope which it might have had without the amendments which amount to a disclaimer'."

McGill asserts that Zink used nine of ten of the process steps, but fails to disclose that these nine steps were all old, shown in the prior art and well-known to those skilled in the art. (DX 279, Tabs 97, 100-D, 126, 162, 191 and 290; JA 306a, 330a, 393a, 407a and 453a). The step not used by Zink was the use of the internally created recovered liquid hydrocarbon as the absorbent, which was the limitation required by the PTO for issuance of the patent. (736 F.2d at pp. 671 and 675; JA 407a). Zink used gasoline as the absorbent. McGill, at the trial, admitted that the use of gasoline as an external source for the absorbent had been done many times before and, in fact, had been used in recovery units sold by McGill in 1973, a number of years prior to the patent application. (JA 102a-103a).

Based on these facts, the decisions of this Court are dispositive of McGill's contentions concerning the doctrine of equivalents and fully support the Court of Appeals holding that there is no set of facts consistent with McGill's interpretation "in regard to possible infringement under the doctrine of equivalents". (736 F.2d at p. 675). Therefore, there is no basis for granting the Petition for the purpose of speculating whether the "decision

in this case suggests an unpromising future for the doctrine of equivalents". (Pet. 12). Likewise, there is no reason for this Court to consider McGill's assertions as to its alleged evidence to support its argument on equivalents (Pet. 6). Even accepting as true the evidence cited by McGill, under the decisions of this Court, the doctrine of equivalents is not applicable to the facts of this case because McGill, as held by the Court of Appeals, had to relinquish the very claim which it is now asserting as an equivalent. Therefore, the decision of the Court of Appeals in no way impaired, altered or affected the doctrine of equivalents. On the contrary, the decision followed not only the *Graver* case but also the other pertinent decisions of this Court.

IV. The Court of Appeals properly followed the "rules of the common law".

The Court of Appeals for the Federal Circuit properly addressed the rules of common law relating to jury verdicts and relied on this Court's decision in *Baltimore & Carolina Line v. Redman*, 295 U.S. 654, 659 (1935) in holding that: "The appellate court is permitted to review only the sufficiency of the evidence, a question of law". (736 F.2d at p. 672). The Court of Appeals said:

> "Such a review must be conducted with a set of guidelines which include: (1) a consideration of all the evidence, (2) in a light most favorable to the non-moving party, (3) drawing all reasonable inferences favorable to that party, (4) without determining the credibility of the witnesses, and (5) without substituting the court's choice for that of the jury between conflicting elements in the evidence."

Thus, Petitioner's assertion that the Court of Appeals failed to follow the "rules of common law" (Pet. 12) is without merit, particularly in view of the fact that the

Court considered the entire record, including the expert testimony in concluding that the doctrine of equivalents was not applicable.

CONCLUSION

Since McGill has conceded this case lacks far reaching impact and is of interest only to the parties and since the Court of Appeals for the Federal Circuit followed not only the *Graver* case but other decisions of this Court, the Petition for Writ of Certiorari To the Court of Appeals For the Federal Circuit should be denied.

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